

Internal Revenue Service

Department of the Treasury
Washington, DC 20224

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Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:PSI – GENIN-101681-04

Date:

March 17, 2004

Dear [REDACTED]

We are answering correspondence, submitted by your representative, requesting automatic relief in order to establish January 1, 2000, as the effective date for your S corporation election. Automatic late S corporation relief is unavailable under both Revenue Procedure 97-48 and Revenue Procedure 2003-43, because the Internal Revenue Service has no Form 1120S tax return on file for the 2000 taxable year. Although we are unable to respond to your request as submitted, this letter provides information relating to your request.

Announcement 97-4 (copy enclosed) provides guidance on seeking relief for late S corporation elections. Generally, to request relief for a late S corporation election you must request a private letter ruling from the National Office. The information forwarded to our office is insufficient for us to process a ruling. The procedures for requesting a private letter ruling are set forth in Revenue Procedure 2004-1 (copy enclosed). The standard user fee for a private letter ruling is \$6,000; however, taxpayers with gross income of less than \$1 million on their tax return for the most recent 12-month taxable year, will qualify for a **reduced user fee** in the amount of \$500. If you are qualified to pay the reduced fee, please include a statement verifying the taxpayer's gross income for the last 12-month taxable year. Otherwise, you will be billed the higher fee.

If you decide to submit a formal request for a private letter ruling, please follow the sample format provided in Appendix B of Rev. Proc. 2004-1. Your request should include all required procedural statements, a check for the user fee, and any documents that substantiate your intent to be an S corporation from inception. Please refer your ruling request to our office by adding the following to the address:

Attn: CC:PA:T
P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Direct to: CC:PSI:1
Room 5002

Incidentally, the IRS has developed two compact discs (CD) to help educate small business owners on their tax responsibilities: (1) Publication 3693, *Introduction to Federal Taxes for Small Business/Self-Employed*; and (2) Publication 3700, *Small Business Workshop*. These items are free and can be ordered by calling 1-800-829-3676. Information is also available online at www.irs.gov/businesses/small/index.

Please keep this letter with your tax records and feel free to provide a copy of it to your authorized representative. We hope that the above information proves helpful.

Sincerely yours,

/s/ Dianna K Miosi

DIANNA K. MIOSI
Chief, Branch 1
Associate Chief Counsel
(Passthroughs and Special Industries)

Enclosures:
Announcement 97-4
Rev. Proc. 2004